under a bilateral agreement. In addition to this, power to the tune of 900-1000 MW is beling reported to other regions/states from NTPC stations in the Eastern Regional Power System of which Orissa is a constituent.

**Power requirements in Karnataka**

723. SHRI K.C. KONDAIAH: Will the Minister of POWER be pleased to state:

(a) whether Government have signed any Memorandum of Agreement with the State Government of Karnataka to meet the requirements of power in Karnataka;

(b) if so, the details as to how it will improve the power position in Karnataka; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) and (c) The Memorandum of Agreement provides for the following steps to improve the power supply position in Karnataka:

(i) Supply of additional power from Central Generating Stations by making additional allocation of 80 MW from unallocated share . of 220 MW NLC's Stage-II Project in addition to the allocation ' of 84 MW to Karnataka.

(ii) Additional power of 100 MW on a firm basis for Karnataka from Eastern Region via Northern Region and Western Region System.

(iii) Funding and Construction of identified lines in the state sector by PGCIL subject to commercial agreements between KPTCL and PGCIL.

(iv) Execution of system loss reduction programme by Karnataka.

**Counter Guarantea to Vizag Power Project**

724. SHRI VAYALAR RAVI: Will the Minsiter of POWER be pleased to state;

(a) whether the Vizag Power Project of Hindujas is projected over estimated cost;

(b) whether the state Government has asked the promoters to reduce the cost;

(c) if so, the details of the cost projection and the demand to reduce the cost and whether the counter guarantee has given to the project; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (d) The Visakhapatnam Thermal Power Project (1040 MW) in Andhra Pradesh being promoted by M/s. Hinduja National Power Corproation Limited (HNPCL) has been accorded techno-economic clearance of Central Electricity Authority (CEA) on July 25, 1996 at an estimated completion cost of US$ 943.75 million + Rs. 1324.993 crores (@ 1U.S. $=Rs. 35.00). On 16.5.1998, Government approved extension of counter-guarantee to this project through a revised procedure. Counter guarantee of Government of India has been issued to the proejct on August 19, 1998.

M/s. HNPCL have submitted the firm financial package in two parts to Government of Andhra Pradesh (GoAP)AAndhra Pradesh Transmission Corporation (APTRANSCO) in the first week of November 1999 and second week of December, 1999. The same, which is presently under examination of GoAP/APTRANSCO, is required to be forwarded to CEA, along with the recommendations of GoAP Change in cost, if any, over the project cost estimated by CEA, can be determined only after the firm financial package is approved by CEA.

GoAP have informed that they are negotiating reduction of capital cost of the project as required under the revised procedure for extension of counter guarantee.

**Generation of Power in North-Eastern Region**

725. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of POWER be pleased to state:

(a) whether there was any proposal to give thrust to the North- East power sector;

(b) if so, the survey made for generating more power in that region; and